

ORIGINAL

OPEN MEETING

MEMORANDUM



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TO: THE COMMISSION

FROM: Utilities Division


DATE: October 23, 2012

RE: GENERIC INVESTIGATION – ENERGY POLICY ACT OF 1992 (Docket No. E-00000C-11-0328)

On August 29, 2011, a generic docket was opened for the purposes of the Commission's inquiry into smart meters. Two workshops were held on the subject of smart meters, one on September 8, 2011, and one on March 23, 2012. Testimony and comments were heard at both workshops; and comments, correspondence, petitions, motions and testimony have been filed in the docket.

Subsequent to the September 2011 workshop, Commission Staff was directed to draft a set of guidelines for metering that would address concerns with respect to safety and privacy issues raised in the workshop. These guidelines were discussed at the March 2012 workshop, and on August 23, 2012, Arizona Public Service Company, Tucson Electric Power Company, UNS Electric, Inc. and Grand Canyon State Electric Cooperative Association, Inc. (collectively "the Utilities") filed a joint document proposing alternative language for several of the guidelines proposed by Staff.

Based on a review of filings in the docket and the Utilities' comments, a set of revised guidelines was developed by Staff. These guidelines are shown in Attachment "A" for Commission discussion and consideration.


Steven M. Olea
Director
Utilities Division

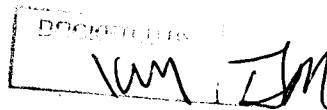
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ORIGINATOR: Toby Little

Arizona Corporation Commission

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Attachment "A"

Meter Guidelines

Docket No. E-00000C-11-0328

Guideline #1:

Unless authorized by the customer or the Arizona Corporation Commission, electric usage measurement will not be specific to any particular appliance or electrical device. Meters with the capability to only measure a single electrical device or a group of such devices will be permitted under this guideline.

Guideline #2:

Unless authorized by the customer, the utility will not share customer-specific data except with entities under contract with the utility and bound to comparable confidentiality provisions as would apply to the utility itself. However, such authorization is not required if the data is requested by law enforcement or other public agencies, including the Commission or its staff, or is used in conjunction with legitimate collection activities, or to provide safe and reliable service to the customer. Customer-specific data will never be sold without customer approval. Usage data unaccompanied by any other information that would associate the usage data with a specific customer (e.g., customer name, service address, telephone number, SS# or EIN, etc.) is not considered "customer-specific data" for the purposes of this guideline.

Guideline #3:

Customer specific data wirelessly transmitted between meters and the utility must be encrypted and/or password protected. The utility will use recognized industry security practices and controls and will continue to evaluate emerging technologies and standards in order to update its security practices, as appropriate, to protect customer specific data.

Guideline #4:

Data from each meter must use unique identifier(s) associated with the customer's service to ensure that each customer is billed only for his/her own usage.

Guideline #5:

The utility will not control or shut off individual appliances without customer consent or unless authorized by an approved Arizona Corporation Commission tariff or program.

Guideline #6:

The utility may shut off electric service per Arizona Corporation Commission rules or other Commission-approved procedures. The utility will abide by current regulations or other Commission-approved procedures with respect to shut-off of service and curtailment in power emergencies.

Guideline #7:

The utility will only use equipment that limits data transmission, so as to keep radio frequency exposure within the limits established by the Federal Communications Commission.

Guideline #8:

The utility shall allow customers to request, and have installed, meters that do not transmit data wirelessly. For those customers that request to have a meter that is not capable of transmitting data wirelessly and where the utility is using only meters that transmit data wirelessly, the utility may propose a tariff, for Arizona Corporation Commission consideration, that would recover appropriate costs from such a customer.